

Major Moves Help Desk

Office of Governor Mitch Daniels

Macquarie CEO Offers Reassurances about Toll Road

By Theodore Kim
Indianapolis Star
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"What I'm actually doing is proposing to invest in Indiana," Allen said. "I'm actually talking about creating jobs here."



Governor Mitch Daniels discusses Major Moves on WJOB radio during a trip to Northwest Indiana.

An executive for the overseas consortium that wants to lease out the Indiana Toll Road today defended the agreement, saying the partnership "is proposing to invest in Indiana."

At a Statehouse news conference, Stephen Allen, chief executive officer for Macquarie Infrastructure Group of Sydney, sought to ease resistance among some lawmakers and the public to overseas ownership. Macquarie, along with Cintra, a Madrid-based firm, has offered the state an immediate payment of \$3.85 billion for the right to take control of Toll Road operations, maintenance and revenues for 75 years.

He added: "We are not operating a factory where investment may come and you may decide to move it somewhere else. I will assure you today, for the next 75 years, the Indiana Toll Road will be in Indiana if we are the lessors."

Allen noted that 50 percent of Macquarie's business and 25 percent of its shareholders are in North America.

Allen said he was in Indianapolis to discuss the Toll Road lease with Gov. Mitch Daniels and other legislators.

House Bill 1008, which would allow the state to cinch the Macquarie-Cintra deal, is expected to receive final House and Senate votes next week.

New York State Explores Public-Private Partnerships

If New York's transportation infrastructure is going to get rebuilt, then the corporate world will need to be part of it, Transportation Commissioner Thomas Madison said Wednesday during a seminar held to discuss public private partnerships and major road and bridge projects.

New York has \$70 billion in unfunded transportation projects on the drawing board, Madison told 300 people gathered at The Egg in Albany, N.Y.'s Empire State Plaza. The engineers, academics, state lawmakers, transportation officials and financial house representatives who attended were invited as part of an effort to sell Gov. George Pataki's plan to allow corporations to build and operate New York's infrastructure.

The Partnerships for New York seminar was sponsored by the state Department of Transportation and run by the University Transportation Research Center of New York's City College.

A number of panelists outlined the track record of these deals, which include selling the Skyway Bridge in Chicago for \$1.8 billion and the Indiana Toll Road for \$3.25 billion to multinational corporations. The panelists also discussed corporate financed projects and takeovers in California, Virginia, and the state of Washington.

Innovative financing and contracting strategies may make it easier to find the \$5 billion to \$10 billion needed to replace the New York Thruway Authority's Tappan Zee Bridge in Westchester County, said Michael Fleischer, the authority's executive director. Selling the rights to operate the bridge, as has been done with Chicago's Skyway Bridge, is one way to raise the money, Fleischer said.

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What is Being Said About Major Moves

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On behalf of the Indiana Fort-to-Port Task Force, a diverse group founded to support construction of the U.S. 24 project in Allen County, we would like to express our strong support for Gov. Mitch Daniels' Major Moves transportation plan.

The Fort-to-Port project will create a four-lane corridor from Fort Wayne to Toledo, Ohio. Indiana's section of the project builds a road east from U.S. 469 to the Ohio state line that will improve traffic safety on U.S. 24 while creating opportunities for economic development. Public support for the Fort-to-Port project, from community, residential and business sectors, has been very positive with no organized opposition.

With Indiana facing a \$2.8 billion deficit in transportation funding, the Fort-to-Port project and other critical road projects are in jeopardy. Major Moves provides the necessary dollars to complete the Fort-to-Port highway corridor in addition to more than 200 other projects statewide by directly addressing the state's transportation financing deficit.

The Fort-to-Port Task Force offers its full support for Daniels' plan and is working closely with the General Assembly to help ensure passage and implementation of Major Moves.

LARRY GRAHAM & LINDA BLOOM
Co-Chairs Indiana Fort-to-Port Task Force